

**PUBLIC DISCLOSURE**

**January 27, 2014**

**COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION**

**BRIDGEWATER SAVINGS BANK**

**Cert # 90169**

**756 ORCHARD STREET  
RAYNHAM, MA 02767**

**Division of Banks  
1000 Washington Street  
Boston, MA 02118**

<p><b>NOTE:</b> This evaluation is not, nor should it be construed as, an assessment of the financial condition of this institution. The rating assigned to this institution does not represent an analysis, conclusion or opinion of the Division of Banks concerning the safety and soundness of this financial institution.</p>
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## GENERAL INFORMATION

The Community Reinvestment Act (“CRA”) requires the Massachusetts Division of Banks (“Division”) to use its authority when examining financial institutions subject to its supervision, to assess the institution's record of meeting the needs of its entire assessment area, including low- and moderate-income neighborhoods, consistent with safe and sound operation of the institution. Upon conclusion of such examination, the agency must prepare a written evaluation of the institution's record of meeting the credit needs of its assessment area.

This document is an evaluation of the CRA performance of **Bridgewater Savings Bank (or the “Bank”)**, prepared by the Division, the institution's supervisory agency as of **January 27, 2014**. The agency evaluates performance in the assessment area as it is defined by the institution, rather than individual branches. The Division rates the CRA performance of an institution consistent with the provisions set forth in Massachusetts regulation 209 CMR 46.00 et seq.

### **INSTITUTION'S CRA RATING: This institution is rated “Satisfactory.”**

An institution in this group has a satisfactory record of helping to meet the credit needs of its assessment area, including low- and moderate-income neighborhoods, in a manner consistent with its resources and capabilities.

The assigned rating is based on the results of two performance tests: the Lending Test and the Community Development Test. The Bank’s performance under each of these two tests is summarized below:

#### **Lending Test: “Satisfactory”**

- Bridgewater Savings Bank’s loan-to-deposit ratio is reasonable given the institution’s size, financial condition, and credit needs of its assessment area.
- A majority (54.3 percent) of the Bank’s residential loans and small business loans are inside the assessment area.
- The distribution of borrowers reflects, given the demographics of the assessment area, a reasonable penetration among individuals of different income levels (including low- and moderate-income) and businesses of different sizes.
- The geographic distribution of loans reflects an adequate dispersion throughout the assessment area.
- The Bank has not received any CRA-related complaints since the last CRA evaluation.

#### **Community Development Test: “Satisfactory”**

The institution demonstrates adequate responsiveness to the community development needs of its assessment area through community development loans, qualified investments, and community development services, considering its capacity and the need and availability of such opportunities for community development in the assessment area.

## **SCOPE OF THE EXAMINATION**

The Division conducted this evaluation using Intermediate Small Bank procedures. As of the date of this examination, an “Intermediate Small Bank” is an institution with assets of at least \$296 million as of December 31 of both of the prior two calendar years, and less than \$1.186 billion as of December 31 of either of the prior two calendar years, adjusted annually. These procedures include two performance tests: the Lending Test and the Community Development Test. This evaluation considered the Bank’s lending and community development activities since the last CRA evaluation dated December 13, 2010. The data and applicable timeframes for the Lending Test and the Community Development Test are discussed below.

The Bank is primarily a residential lender. This is reflected in the Bank’s most recent Consolidated Report of Condition and Income (Call Report) as of September 30, 2013, which shows that 78.3 percent of the Bank’s loan portfolio is residential real estate secured. For purposes of this evaluation, greater emphasis is placed on the Bank’s residential lending performance as it was the Bank’s primary lending focus throughout the evaluation period. Small farm loans were not considered in this analysis since the Bank did not make any small farm loans during the evaluation period. Consumer lending is not included in this analysis since it accounts for a minor portion of the Bank’s overall lending activity and the Bank does not collect information regarding such activity.

The Lending Test focused on home mortgage and small business lending. Home mortgage lending data analyzed included full-year data from January 1, 2012 to December 31, 2012 and partial year data from January 1, 2013 through September 30, 2013 (YTD2013). Information related to home mortgage lending was derived from the Loan Application Registers (LARs) maintained by the Bank, pursuant to the Home Mortgage Disclosure Act (HMDA). The LARs contain data about home purchase and home improvement loans, including refinancing, of one-to four-family and multifamily properties (five or more units). The evaluation emphasized the Bank’s home mortgage lending performance in 2012 as this is the most recent year for which aggregate lending data is available. The Bank’s home mortgage lending performance is compared with aggregate HMDA data, which is a measure of home mortgage loan demand. Aggregate lending data reflects the lending activity of all HMDA reporting lenders that originated at least a single home mortgage in the Bank’s designated assessment area. The Bank’s home mortgage lending performance was also compared with demographic data. Home mortgage lending data for 2013 is referenced to illustrate trends in the Bank’s lending data, however, the Bank’s 2012 performance is weighted more heavily for purpose of assigning a rating.

Small business lending data was also analyzed. For the purposes of this evaluation, small business loans are defined as commercial real estate loans and commercial and industrial loans with original balances of \$1 million or less. The Bank’s small business loan data was derived from a report of all small business loans originated in 2012. As an Intermediate Small Bank, the Bank is not required to collect and report small business loan data. The Bank’s small business lending activity was not compared with small business aggregate data, as these data represent larger institutions that are required to report small business data. Instead, small business lending performance was compared to demographic data.

The Community Development Test included an analysis of the Bank’s qualified community development loans, investments, and services for the period of December 14, 2010 through January 27, 2014. Qualified community development grants and donations for the same time

period were also included. Qualified equity investments currently held by the Bank were also included regardless of investment date. The investments were valued at the December 30, 2013 book value.

Demographic information is from the 2010 U.S. Census unless otherwise noted. Financial data was derived from the September 30, 2013 Report of Condition and Income (Call Report).

## **PERFORMANCE CONTEXT**

### **Description of Institution**

Bridgewater Savings Bank is a Massachusetts state-chartered mutually owned bank headquartered in Raynham, Massachusetts. In addition to its main office, located at 756 Orchard Street in Raynham, the Bank operates seven branch offices located in Bridgewater (2), East Bridgewater, Lakeville, Pembroke, Taunton, and West Bridgewater. The main office and four branch offices are located in middle-income census tracts and three branches are located in upper-income census tracts. In 2011, the Bank closed two branches, one located in Carver and one in Hanson, both in middle-income census tracts. Except for the East Bridgewater branch, which has a walk-up automated teller machine (ATM), all branches are equipped with 24 hour ATM drive-up facilities. The Bank also maintains three free standing ATMs: located at Bridgewater State University, a low-income census tract; Hockomock Plaza in West Bridgewater, located in a middle-income census tract and the third ATM is located at the Dunkin Donuts parking lot at 565 West Grove Street in Middleboro, a middle-income census tract. The Bank participates in SUM, NYCE, Cirrus, and Plus, an alliance between many community banks that have agreed not to assess ATM surcharge fees. All of the branch office ATMs are deposit-taking and are connected to the SUM networks, while the three remote ATMs are cash dispersing only and are not linked to the SUM networks.

Bridgewater Savings Bank is a full-service financial institution that offers a wide variety of products and services. The Bank offers a variety of residential mortgage loans including fixed, adjustable and jumbo rate mortgages to purchase, improve or refinance a home, a first-time homebuyer program, home equity lines of credit, and home equity loans. The Bank offers commercial and small business loans for the purchase or refinance of commercial real estate loans, business lines of credit, business term loans and fast track 24 hour decision business loans. The Bank also offers deposit products and services, including checking accounts, savings accounts, money market accounts, certificates of deposit, ATM and debit cards. Services for businesses include free on-line banking and free online bill payment. Other services include mobile banking, text banking, debit master card, telephone banking, bank by mail and automatic account transfer.

As of September 30, 2013, the Bank had total assets of \$467 million and total deposits of \$381.6 million. Total loans were \$314.5 million and represented 67.4 percent of total assets. The Bank's net loan-to-deposit ratio, as of the same date, was 81.2 percent. Since the last CRA evaluation, the Bank's assets have decreased 5.9 percent, deposits have decreased 2.2 percent and net loans have increased 19.3 percent.

Table 1 illustrates the current distribution of the Bank's loan portfolio.

<b>Table 1</b>		
<b>Loan Distribution as of September 30, 2013</b>		
<b>Loan Type</b>	<b>Dollar Amount \$('000's)</b>	<b>Percent of Total Loans</b>
Construction and Land Development	7,680	2.4
1-4 Family Residential	124,103	39.5
Multi-Family (5 or more) Residential	16,733	5.3
Commercial	97,799	31.1
<b>Total Real Estate Loans</b>	<b>246,315</b>	<b>78.3</b>
Commercial and Industrial	50,745	16.1
Consumer	17,480	5.6
<b>Total Loans</b>	<b>314,540</b>	<b>100.0</b>

*Source: Report of Condition and Income (Call Reports) September 30, 2013*

The Bank is primarily a residential lender with a majority of the loan portfolio secured by residential properties. As noted in Table 1, approximately 39.5 percent of the loans are secured by residential one to four-family properties, followed by commercial loans at 31.1 percent, and multi-family residential loans at 5.3 percent. Loans secured by commercial and industrial loans accounted for 16.1 percent of the loan portfolio, while construction loans represent 2.4 percent of loans. Total real estate loans account for 78.3 percent of the total loan portfolio.

The Division last evaluated the Bank's CRA performance as of December 13, 2010 and assigned a rating of "Satisfactory."

There are no apparent financial or legal impediments that would limit the Bank's ability to help meet the credit needs of its assessment area. Based upon the Bank's asset size, product offerings, and branch network, its ability to meet the community's credit needs remains strong.

### **Description of Assessment Area**

The CRA requires financial institutions to define an assessment area within which its CRA performance will be evaluated. The Bank's assessment area as currently defined meets the technical requirements of the CRA regulation since it: (1) consists of one or more political subdivisions, (2) includes the geographies where the Bank has its main office, branches, and deposit-taking ATMs, as well as the surrounding geographies in which the institution originated a substantial portion of its loans, (3) consists of whole census tracts, (4) does not extend substantially beyond state boundaries, unless otherwise permitted by the regulation, (5) does not reflect illegal discrimination, and (6) does not arbitrarily exclude low- and moderate-income areas.

The Bank's assessment area consists of 12 cities and towns located in Bristol and Plymouth Counties. The following cities and towns are in Bristol County: Easton, Raynham and Taunton, are all located in the Providence-New Bedford-Fall River MSA. Plymouth County's cities and towns are Bridgewater, Carver, East Bridgewater, Halifax, Hanson, Lakeville, Middleborough, Pembroke and West Bridgewater; and all are located in the Boston-Quincy MSA. The assessment area has not changed since the last examination.

The assessment area as currently defined meets the technical requirements of the regulation as it includes whole geographies and does not arbitrarily exclude low- or moderate-income areas or expand beyond state boundaries.

Refer to Table 2 for pertinent demographic information about the assessment area.

<b>Table 2</b> <b>Assessment Area Demographic Information</b>						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	N/A % of #
Geographies (Census Tracts)	44	6.8	4.5	61.4	25.0	2.3
Population by Geography	220,433	5.4	3.9	63.9	25.9	0.9
Owner-Occupied Housing by Geography	60,601	1.9	2.8	68.6	26.7	0.0
Business by Geography	18,923	5.3	2.4	65.0	27.2	0.1
Family Distribution by Income Level	55,849	15.5	16.4	23.6	44.5	0.0
Distribution of Low and Moderate Income Families throughout AA Geographies	17,853	7.3	6.2	68.4	18.1	0.0
Median Family Income (MFI)		\$87,307	Median Housing Value		\$342,383	
Median Family Income for 2012, Bristol County		\$75,600	Unemployment Rate (2010 Census)		7.3%	
Median Family Income for 2012, Plymouth County		\$88,800	November 2013 Bureau of Labor		6.6%	
Families Below Poverty Level		4.6%	Statistics			
Households Below Poverty Level		7.4%				

*Sources: 2010 US Census Data; 2012 HUD Median Family Income, 2012 Business Geo-demographic Data, 2013 Bureau of Labor Statistic*

As the data in Table 2 shows, the Bank's assessment area consists of 44 census tracts, of which there are 3 low-income census tracts (6.8 percent), 2 moderate-income census tracts, (4.5 percent) 27 middle-income census tracts (61.4 percent), 11 upper-income census tract (25.0 percent) and 1 N/A income census tract (2.3 percent). The N/A census tract is a state correctional facility located in Bridgewater. The low-income census tracts are located in Bridgewater and Taunton while the moderate-income census tracts are located in Taunton.

The assessment area has a total population of 220,433 residing in 55,849 family households. Of all family households in the area, 15.5 percent are low-income, 16.4 percent are moderate-income, 23.6 percent are middle-income, 44.5 percent are upper-income and 4.6 percent are families below the poverty level. Of the 77,227 households, 14,174 or 18.4 percent are low-income and 10,460 or 13.5 percent are moderate-income and 5,701 or 7.4 percent are households that are below the poverty level.

The assessment area consists of 82,250 total housing units, of which 60,601 or 73.7 percent are owner-occupied, 16,262 or 20.2 percent are rental units and 5,023 or 6.1 percent are vacant units. The median housing value in 2010 for the assessment area was \$342,383, and the median age of the housing stock was 41 years. Recent figures from the Warren Group show that during the examination period, the assessment area's median home prices ranged from a low of \$209,900 in Taunton to \$314,650 in Easton.

Data obtained from the 2012 Business Geo-demographic Data show that there are 18,923 businesses in the assessment area, of which 73.8 percent have gross annual revenues of \$1 million or less, 4.3 percent have gross annual revenues greater than \$1 million, and the remaining 21.9 percent have unknown revenues. Of total businesses in the assessment area, 5.3 percent are in low-income census tracts and 2.4 percent are in moderate-income tracts. The highest proportion of these business



establishments are engaged in the services industry (42.2 percent). Businesses involved in non-classifiable establishments (13.1 percent), retail trade (12.2 percent) and construction (11.1 percent) make up a significant share of the establishments. In terms of employees, approximately 68.3 percent of the area's businesses employ four or fewer people. Included among the largest employers in the assessment area are De Puy Spine Inc., Ocean Spray Cranberries, Bridgewater State University and Taunton State Hospital.

The unemployment rate statewide for Massachusetts is 6.6 percent according to November 2013 statistics gathered from the Bureau of Labor Statistics. This represents a slight decrease as compared to the annual percentage of 2012, where the unemployment rate in Massachusetts was 6.7 percent. The unemployment rate for Bristol County as of November 2013 was 9.1 percent and for Plymouth County the unemployment rate was 6.5 percent, which shows a higher unemployment rate for the Bank's area compared to that of Massachusetts as a whole. As of November 2013, per the Bureau of Labor Statistics, the unemployment statistics for the some of the towns in the assessment area were: Bridgewater 6.3 percent, Carver 6.9 percent, East Bridgewater 7.1 percent and Taunton 7.4 percent.

The Bank faces strong competition from other financial institutions that originated loans within the assessment area. These institutions range in size from small credit unions and mortgage companies with single office locations to the largest banks in New England. Among the more prominent lenders competing with the Bank are Rockland Trust Company, HarborOne Bank, Bristol County Savings Bank, Mechanics Bank, First Federal Credit Union and Bridgewater Credit Union. The 2012 aggregate lending data shows that 318 lenders originated 13,018 residential mortgage loans in the Bank's assessment area. Bridgewater Savings Bank ranked 9<sup>th</sup> with a 2.3 percent market share. The top three lenders consisted of Wells Fargo Bank with 10.4 percent, U.S. Bank with 6.1 percent and HarborOne Bank with 5.8 percent.

The assessment area has no one primary credit need. The area's residents need a variety of retail loan products to meet personal needs and an array of home financing programs for the purchase, construction, improvement, or refinance of a residence. The area's business base also requires numerous commercial credit options to meet a wide variety of financing purposes.

## **Community Contact**

As part of the evaluation process, third parties active in the assessment area are contacted to assist in assessing the credit and community development needs of the community. The information obtained helps to determine whether local financial institutions are responsive to the credit and community development needs of the communities, and what credit and community development opportunities, if any, are available.

A community contact was conducted with a non-profit corporation devoted to the interests of the business community in the town of Bridgewater. This corporation is committed to promoting goodwill among business owners, interacting with town government and encouraging growth of in-town business. The corporation has also established a charity fund that is used to help individuals and small businesses in need.

The contact stated the community needs to invest in better infrastructure, use public funds in a more efficient manner, and attract new businesses to the area in order to prosper. The contact also believes that the business climate needs to be less restrictive. The contact stated elderly homeowners are an underserved group in the area, and would like to see financial literacy

workshops, foreclosure prevention seminars, and financial assistance programs implemented to help the elderly.

Overall, the contact was pleased with the responsiveness of the local community financial institutions to the area's credit needs.

## **CONCLUSIONS WITH RESPECT TO PERFORMANCE CRITERIA:**

### **LENDING TEST**

The Lending Test considers the institution's performance pursuant to the following criteria: loan-to-deposit ("LTD") ratio analysis, assessment area concentration, borrower profile, geographic distribution, and response to CRA complaints.

The Bank's overall performance with respect to the Lending Test is Satisfactory. The following sections discuss the analysis and conclusions regarding the Bank's performance under each criterion.

#### **1. LOAN-TO-DEPOSIT (LTD) ANALYSIS**

This performance criterion determines what percentage of the Bank's deposit base is reinvested in the form of loans and evaluates its appropriateness. The Bank's net loan-to-deposit (LTD) ratio is reasonable given the institution's size, financial condition and the assessment area's credit needs.

The Bank's net LTD ratio is 81.2 percent as of September 30, 2013. A review of the Bank's quarterly net LTD ratios for the last 12 quarters since the prior CRA evaluation was conducted. The quarters reviewed include those ending December 31, 2010 through September 30, 2013. These ratios are based on total loans, net of unearned income and net of the allowance for loan and lease losses, as a percentage of total deposits. Net loans generally increased during the review period.

The Bank's average net LTD ratio over the period reviewed was 73.1 percent. The net LTD ratio has fluctuated over the last 12 quarters, from a low of 66.5 percent (as of December 31, 2010) to a high of 81.8 percent (as of December 31, 2011). During this timeframe, net loans have increased 19.3 percent and deposits have decreased by 2.2 percent.

During the examination period the Bank purchased 37 loans totaling \$27.7 million. The Bank also sold 925 loans totaling \$207.3 million. The Bank is a member of the Federal Home Loan Bank system and borrows funds to support additional loan commitments.

For comparison purposes, the Bank's average net LTD ratio was compared against the average net LTD ratios of three similarly situated institutions for the same time period. These three institutions are similar in terms of asset size and loan portfolio composition.

<b>Table 3 Peer Group Loan-to-Deposit Comparison</b>		
<b>Bank Name</b>	<b>Total Assets \$('000s) as of 9/30/13</b>	<b>Average Net LTD Ratio 12/31/10 through 9/30/13</b>
Mansfield Cooperative Bank	\$406,562	84.8%
Mechanics Bank	\$420,092	75.5%
Bridgewater Savings Bank	\$467,023	73.1%
North Easton Savings Bank	\$482,154	68.8%

*Source: FFIEC Report of Condition and Income (Call Reports), September 30, 2013*

As shown in Table 3, the three other institutions' average quarterly net LTD ratios ranged between 68.8 percent and 84.8 percent. At 73.1 percent, the Bank's average net LTD is comparable to the similarly situated institutions.

## 2. COMPARISON OF CREDIT EXTENDED INSIDE AND OUTSIDE OF THE ASSESSMENT AREA(S)

This performance criterion evaluates whether the Bank is meeting the credit needs within its assessment area. The analysis includes both residential and small business loans.

Based on a review of home loan and small business data, a majority (54.3 percent) of the Bank's lending activity occurs within the institution's assessment area. Table 4 illustrates the Bank's record of extending residential mortgage loans and small business loans inside and outside the assessment area by number and dollar amount over the period reviewed.

Table 4 Distribution of Loans Inside and Outside of the Assessment Area										
Loan Category or Type	Number of Loans					Dollar Volume (\$000)				
	Inside		Outside		Total	Inside		Outside		Total
	#	%	#	%		\$	%	\$	%	
2012										
Home Purchase	71	48.6	75	51.4	146	14,800	45.0	18,087	55.0	32,887
Refinance	192	55.5	154	44.5	346	38,872	51.9	35,979	48.1	74,851
Home Improvement	31	62.0	19	38.0	50	5,071	58.4	3,610	41.6	8,681
Total	294	54.2	248	45.8	542	58,743	50.5	57,676	49.5	116,419
YTD2013										
Home Purchase	82	55.4	66	44.6	148	17,973	43.1	23,768	56.9	41,741
Refinance	95	50.8	92	49.2	187	29,485	48.1	31,831	51.9	61,316
Home Improvement	19	76.0	6	24.0	25	3,420	70.2	1,451	29.8	4,871
Total	196	54.4	164	45.6	360	50,878	47.1	57,050	52.9	107,928
Total Residential	490	54.3	412	45.7	902	109,621	48.9	114,726	51.1	224,347
Small Business 2012	31	53.4	27	46.6	58	5,949	47.8	6,498	52.2	12,447
Grand Total	521	54.3	439	45.7	960	115,570	48.8	121,224	451.2	236,794
Source: 2012 and YTD2013 HMDA LARs and the Bank's 2012 Small Business Loans										

Source: 2012 and YTD2013 HMDA LARs and the Bank's 2012 Small Business Loans

### Residential Lending

As shown in Table 4, the Bank originated 490 home loans totaling \$109.6 million in the assessment area during the evaluation period. This represents 54.3 percent of the total number of residential loans originated by the Bank and 48.9 percent by dollar amount. The distribution of loans by number is weighted more in this analysis, as the number of loans correlates more closely to the number of individuals or families that were able to obtain home mortgage loans and is not skewed by large dollar amounts inside or outside the assessment area.

### Small Business Lending

As shown in Table 4, the Bank originated 53.4 percent of its small business loans by number, and 47.8 percent by dollar amount inside the assessment area. The Bank's originated loans totaled \$12.4 million, of which \$5.9 million was in the Bank's assessment area.

### 3. BORROWER PROFILE

This performance criterion evaluates the distribution of the Bank's residential and small business loans based on borrower characteristics. Analyses were conducted of the Bank's residential mortgage loans inside the assessment area based on borrower income and the Bank's small business loans inside the assessment area based on size of business. For residential lending, emphasis is placed on loans to low- and moderate-income borrowers, and for small business lending, emphasis is placed on loans to businesses with gross annual revenues (GARs) of \$1 million or less.

Overall, the distribution of loans reflected a reasonable penetration among individuals of different income levels and businesses of different sizes, particularly low- and moderate-income borrowers and businesses with GARs of \$1 million or less.

#### Residential Lending

Residential lending data was reviewed to assess how well the Bank is addressing the housing credit needs of the area's low-, moderate-, middle-, and upper-income residents. Special consideration is placed on the Bank's record of lending to low- and moderate-income borrowers residing in the assessment area. See Table 5 for information concerning the distribution of loans by borrower income. The Bank demonstrated a reasonable penetration of residential loans to borrowers of different income levels in the assessment area.

<b>Table 5</b> <b>Distribution of HMDA Loans by Borrower Income</b> <b>(Excludes Borrowers for which Income is not Available)</b>						
Median Family Income Level	% Families	Aggregate Lending Data 2012	Bank 2012		Bank YTD2013	
		%	#	%	#	%
<b>Low</b>	15.5	6.3	21	7.3	16	8.3
<b>Moderate</b>	16.4	21.2	78	27.1	52	27.1
<b>Middle</b>	23.6	30.0	93	32.3	61	31.8
<b>Upper</b>	44.5	42.5	96	33.3	63	32.8
<b>Total</b>	<b>100.0</b>	<b>100.0</b>	<b>288</b>	<b>100.0</b>	<b>192</b>	<b>100.0</b>

*Source: 2012 and YTD2013 HMDA LARs, 2012 Aggregate Data and 2010 U.S. Census Data*

The Bank's percentage of lending to low-income borrowers is higher than the aggregate's percentage of lending in 2012. The Bank originated 7.3 percent of its HMDA reportable loans to low-income borrowers while the aggregate originated 6.3 percent. It is noted lending to low-income borrowers was significantly lower than the percentage of low-income families (15.6 percent) in the assessment area. The Bank's performance in lending to low-income borrowers is highlighted by the 2012 market share report that shows Bridgewater Savings Bank ranked seventh among all lenders for total applications to low-income borrowers. The Bank originated 21 loan applications with 3.1 percent of market share. J.P. Morgan Chase ranked number one with 58 applications or 8.4 percent market share followed by Wells Fargo with 46 applications or 6.7 percent and number three was Rockland Trust Company with 39 originated loan applications or 5.7 percent.

In 2012, the Bank originated 27.1 percent of total loans to moderate-income borrowers, which is higher than both the aggregate and the percentage of families at 21.2 percent and 16.4 percent, respectively. The 2012 market share report pertaining to loans made to moderate-income

borrowers in the assessment area shows the Bank ranked seventh with a market share of 3.4 percent.

Overall, the 2012 market share report pertaining to loans made to low- and moderate-income borrowers in the assessment area shows the Bank ranked sixth with a market share of 3.3 percent. Wells Fargo Bank ranked number one with a market share of 9.8 percent, J.P. Morgan Chase ranked second with a market share of 7.3 percent, and HarborOne Credit Union ranked third with a market share of 5.6 percent.

In YTD2013, the Bank's performance to low-income borrowers increased to 8.3 percent. For moderate-income borrowers, the Bank's performance remained the same at 27.1 percent. Although aggregate data for 2013 is not yet available, YTD2013 performance demonstrates the Bank's willingness and ability to provide loans to all borrowers.

#### Small Business Lending

The Bank's small business lending activity, overall, reflects an adequate penetration among businesses of different sizes, particularly to those with GARs of \$1 million or less. Table 6 details the Bank's 2012 distribution of lending to businesses of different sizes compared to the percentage of businesses in the assessment area.

<b>Table 6</b>					
<b>Distribution of Small Business Loans by Business Size</b>					
<b>GAR ('000s)</b>	<b>% of Businesses</b>	<b>2012 Bank Loans</b>			
		<b>#</b>	<b>%</b>	<b>\$('000s)</b>	<b>%</b>
≤ \$1,000	73.8	14	45.2	1,752	29.5
> \$1,000	4.3	17	54.8	4,197	70.5
GAR Not Reported	21.9	0	0.0	0	0.0
<b>Total</b>	<b>100.0</b>	<b>31</b>	<b>100.0</b>	<b>5,949</b>	<b>100.0</b>

*Source: Bank sample 2012 Small Business Loans, 2012 Business Geo-demographic Data*

As shown in Table 6, the Bank made 45.2 percent of all small business loans to businesses with GAR of \$1 million or less in 2012, which is lower than the percentage of businesses in that size category at 73.8 percent.

## **4. GEOGRAPHIC DISTRIBUTION**

This criterion evaluates the distribution of the Bank's loans within the assessment area by census tract income level, with emphasis on lending in low- and moderate-income census tracts. As mentioned previously under the Description of Assessment Area, the Bank's assessment area comprises 44 census tracts: 3 (6.8 percent) low-income; 2 (4.6 percent) moderate-income; 27 (61.4 percent) middle-income; 11 (25.0) upper-income and one N/A (2.2 percent)

#### Residential Lending

Table 7 illustrates the geographic distribution of the Bank's 2012 and YTD2013 HMDA reportable lending performance within the assessment area. For comparison purposes, the table includes the percentage of owner-occupied housing units within each tract income category and the aggregate market lending data for 2012.

Table 7 Distribution of HMDA Loans by Income Category of the Census Tract						
Census Tract Income Level	% Owner-Occupied Housing Units	Aggregate Lending Data 2012	Bank 2012		Bank YTD2013	
		%	#	%	#	%
<b>Low</b>	1.9	1.4	2	0.7	0	0.0
<b>Moderate</b>	2.8	2.3	6	2.0	0	0.0
<b>Middle</b>	68.6	66.0	209	71.1	147	75.0
<b>Upper</b>	26.7	30.3	77	26.2	49	25.0
<b>N/A</b>	0.0	0.0	0	0.0	0	0.0
<b>Total</b>	<b>100.0</b>	<b>100.0</b>	<b>294</b>	<b>100.0</b>	<b>196</b>	<b>100.0</b>

Source: 2012 and YTD2013 HMDA LARs, 2012 Aggregate Data and 2010 U.S. Census Data

The geographic distribution of HMDA loans by number reflects an adequate dispersion throughout the assessment area. In 2012, the Bank originated 0.7 percent of its loans in low-income census tracts, which is lower than the aggregate (1.4 percent) and the percentage of owner occupied housing (1.9 percent). In YTD2013, the Bank did not originate any loans in the low-income tracts.

In 2012, the Bank originated 2.0 percent of HMDA loans in moderate-income census tracts, which is lower than the aggregate's percentage of 2.3 percent. The Bank's percentage of loans to moderate-income tracts was also lower than the percentage of owner occupied housing (2.8 percent). In YTD2013, the Bank did not originate any loans in moderate-income census tracts.

Of the Bank's eight offices, five are located in these middle-income census tracts drawing a large number of borrowers from the surrounding areas. The upper-income census tracts accounted for the remaining loan volume. In total, approximately 26.2 percent of the Bank's home lending was in the upper-income areas.

#### Small Business Lending

Table 8 compares the geographic distribution of the Bank's small business loans within the assessment area to the business demographics.

Table 8 Distribution of Small Business Loans by Income Category of the Geography			
Tract Income Level	% of Businesses	#	%
<b>Low</b>	5.3	1	3.2
<b>Moderate</b>	2.4	0	0.0
<b>Middle</b>	65.1	25	80.7
<b>Upper</b>	27.2	5	16.1
<b>Total</b>	<b>100.0</b>	<b>31</b>	<b>100.0</b>

Source: Sample of Bank's 2012 Small Business Loans, 2012 Business Geo-demographic Data

The Bank originated 3.2 percent of its small business loans in low-income census tracts, which is lower than the percentage of businesses of 5.3 percent. The Bank did not originate any small business loans in the moderate-income census tracts, as compared to the percentage of businesses at 2.4 percent.

Overall, the Bank has an adequate dispersion among the various census tracts.

## **5. RESPONSE TO CRA COMPLAINTS AND FAIR LENDING**

The Bank has not received any CRA-related complaints during the evaluation period. As a result, this criterion was not subject to further analysis, and does not bear any weight when arriving at a Lending Test rating.

The Bank's fair lending performance was reviewed to determine how it conforms to the guidelines established by Regulatory Bulletin 1.3-106, the Division's Community Reinvestment and Fair Lending Policy. A review of the Bank's residential loan application files was conducted to check for fair lending issues. There was no disparate treatment evident in the file review.

The Bank takes a pro-active approach to fair lending. All employees are provided with training appropriate to their job description and responsibilities in fair lending issues. Annual fair lending training is given to the Board of Directors. The Bank has a written fair lending policy. All denied loans have a second review.

## **MINORITY APPLICATION FLOW**

According to the 2010 U.S. Census Data, the Bank's assessment area contained a total population of 220,433 individuals, of which 9.1 percent are minorities. The assessment area's minority and ethnic population is 2.7 percent Black/African American, 1.1 percent Asian, 0.2 percent American Indian, 0.0 percent Hawaiian/Pacific Islander, 2.7 percent Hispanic or Latino and 2.4 percent other.

For 2012 and YTD2013, the Bank received 675 HMDA-reportable loan applications from within its assessment area. Of these applications, 20 or 3.0 percent were received from minority applicants. For the same time period, the Bank also received 14 applications or 2.1 percent from ethnic groups of Hispanic origin within its assessment area.

The Bank's level of lending was compared with that of the aggregate's lending performance levels for the most recent year that data was available, the year 2012. The comparison of this data assists in deriving reasonable expectations for the rate of applications the Bank received from minority residential loan applicants. Refer to Table 12 for information on the Bank's minority application flow as well as the aggregate lenders (excluding the Bank) in the Bank's assessment area.



<b>Table 12</b> <b>MINORITY APPLICATION FLOW</b>								
RACE	Bank 2012		2012 Aggregate Data		Bank YTD2013		Bank TOTAL	
	#	%	#	%	#	%	#	%
American Indian/ Alaska Native	0	0.0	13	0.1	0	0.0	0	0.0
Asian	4	1.0	141	0.8	5	2.0	9	1.3
Black/ African American	3	0.7	215	1.2	2	0.8	5	0.7
Hawaiian/Pac Isl.	0	0.0	14	0.1	0	0.0	0	0.0
2 or more Minority	0	0.0	7	0.0	0	0.0	0	0.0
Joint Race (White/Minority)	5	1.2	134	0.8	1	0.4	6	0.9
<b>Total Minority</b>	<b>12</b>	<b>2.9</b>	<b>524</b>	<b>3.0</b>	<b>8</b>	<b>3.2</b>	<b>20</b>	<b>3.0</b>
White	393	93.3	13,194	75.7	230	90.5	623	92.3
Race Not Available	16	3.8	3,717	21.3	16	6.3	32	4.7
<b>Total</b>	<b>421</b>	<b>100.0</b>	<b>17,435</b>	<b>100.0</b>	<b>254</b>	<b>100.0</b>	<b>675</b>	<b>100.0</b>
<b>ETHNICITY</b>								
Hispanic or Latino	<b>4</b>	<b>1.0</b>	<b>147</b>	<b>0.8</b>	<b>0</b>	<b>0.0</b>	<b>4</b>	<b>0.6</b>
Not Hispanic or Latino	393	93.3	13,423	77.0	236	92.9	629	93.2
Joint (Hisp/Lat /Not Hisp/Lat)	<b>8</b>	<b>1.9</b>	<b>117</b>	<b>0.7</b>	<b>2</b>	<b>0.8</b>	<b>10</b>	<b>1.5</b>
Ethnicity Not Available	16	3.8	3,748	21.5	16	6.3	32	4.7
<b>Total</b>	<b>421</b>	<b>100.0</b>	<b>17,435</b>	<b>100.0</b>	<b>254</b>	<b>100.0</b>	<b>675</b>	<b>100.0</b>

Source: 2012 and YTD2013 HMDA LAR, 2012 HMDA Aggregate Data

The Bank's performance was consistent with the 2012 aggregate's performance level for minority applicants. The Bank received 2.9 percent for minorities while the aggregate was 3.0 percent. The Bank's performance was higher than the 2012 aggregate's performance for ethnic minorities. The Bank received 2.9 percent while the aggregate received 1.5 percent for ethnic minorities.

The Bank's minority application flow, when compared to the aggregate's lending performance levels and the assessment area demographics, is reasonable.

## COMMUNITY DEVELOPMENT TEST

The Community Development Test evaluates the Bank's responsiveness to the community development needs of its assessment area through the provision of community development loans, qualified investments, and community development services as appropriate, considering the institution's capacity and the need and availability of such opportunities for community development in the institution's assessment area(s). The Bank's community development performance demonstrates an adequate responsiveness to the community development needs of its assessment area.

### Community Development Loans

A community development loan is a loan that: (1) has community development as its primary purpose, (2) has not already been reported or collected by the Bank for consideration under small business or home mortgage lending (unless it is a multifamily dwelling loan), and (3) benefits the Bank's assessment area or a broader statewide or regional area that includes the Bank's assessment area.

During the evaluation period, the Bank originated nine community development loans totaling \$984,473. The following describes the community development loans originated during the evaluation period:

### **Small Business Administration (SBA) Loan Programs**

The Bank offers loan programs through the SBA, including the SBA 7A, SBA 504, and SBA Express. The mission of the SBA is to maintain and strengthen the nation's economy by enabling the establishment and viability of small businesses and by assisting the economic recovery of communities after disasters. These programs offer financing for qualified businesses that may not be eligible for traditional bank financing. Bridgewater Savings Bank originated 8 SBA loans totaling \$890,723 during the evaluation period.

- **The SBA 7A Program** is designed to help small entrepreneurs start or expand their businesses. The Bank funds the loan, with SBA providing a loan guarantee of 75 percent to 90 percent of the total loan amount, depending on proceeds used. These SBA loans offer smaller down-payments, flexible terms, and guarantees that assist small businesses in opening, expanding, or continuing their business. During the evaluation period, the Bank originated one loan for \$90,000 through this program.
- **The SBA 504 Program** was designed to provide financing for the purchase of fixed assets (real estate, buildings, and machinery). The program works by distributing the loan among three parties: the business owner (10 percent), the financial institution (50 percent), and the SBA (40 percent). During the evaluation period, the Bank originated one loan of \$70,000 under this program.
- **The SBA Express Program** offers borrowers business financing of up to \$350,000. Although the SBA does not make the loans itself, it does provide a 50 percent guaranty on loans made through private lenders. The SBA loan program offers term loans and line of credit options. Proceeds may be used for financing business acquisition, equipment, debt refinance, working capital, inventory, and tenant improvements. Loans made under this program generally follow SBA's standard for the 7(a) Loan Program. The Bank has made six loans totaling \$730,723 since the last evaluation.

On November 21, 2012, the Bank originated a \$93,750 line of credit to a local developer to build a 12 unit 40B housing project in Lakeville. The project falls under the Commonwealth of Massachusetts 40B program which supports affordable housing developments by using flexible rules if at least 20-25 percent of the units have long-term affordability. Three of the 12 housing units are designated as "affordable units."

The Bank's community development lending performance is adequate given the institution's capacity and the need and availability of community development lending opportunities in the Bank's assessment area.

### **Qualified Investments**

A qualified investment for purposes of this CRA evaluation is a lawful investment, deposit, donation, or grant that has community development as its primary purpose. The evaluation

considered (1) investment and grant activity, (2) the responsiveness to credit and community development needs, and (3) community development initiatives.

Bridgewater Savings Bank has demonstrated an adequate level of qualified investments, grants and charitable donations activity. In total, the Bank made \$4.2 million in qualified investments and charitable donations. There have been no new investments since the last examination.

**Access Capital Strategies Community Investment Fund Inc:** The ACSCIF is a SEC registered fund structure as a business development corporation. The primary purpose of the fund is to provide a secondary market and financing vehicle for community development loans. The fund invests in private placement debt securities that support affordable housing, education, small business loan securitizations, and other job creating investments within a target region specified by the investing institution. The Bank invested \$2 million in 2005 and \$2 million in 2010. As of December 31, 2013, the current book value was \$4 million.

**Southeastern Economic Development Corporation Ventures Limited Partnership (SEED):** SEED is a non-profit organization that was created in 1982 to improve the economy by helping small businesses get started, grow and create jobs. In 2006, the Bank committed \$250,000 to provide subordinate debt financing to new businesses that otherwise would not qualify for standard venture capital financing. The current book value of this investment is \$112,000.

### **Qualified Donations**

The Bank's donations are made through the Bank and the Bank's Charitable Foundation. The Bridgewater Savings Charitable Foundation Trust was created by Bridgewater Savings in 2003 for the support and benefit of the community through charitable, educational and other benevolent purposes. The Charitable Foundation considers grant proposals from organizations that direct services to low- and moderate-income households, organizations that support development and maintenance of housing for low- and moderate-income households and organizations dedicated to improving the quality of community life in our defined market area.

During the examination period, Bridgewater Savings Bank and the Charitable Foundation made a total of \$375,035 in charitable donations, of which \$91,295 or 24.3 percent went to organizations that promote education, youth programs, health and human services for individuals in need.

<b>Table 9 Community Development Donations*</b>					
	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>Jan 2014</b>	<b>Total</b>
Bridgewater Savings Bank	\$13,085	\$12,735	\$11,920	\$1,100	\$38,840
Bridgewater Savings Charitable Foundation	\$12,315	\$12,450	\$27,690	\$0	\$52,455
<b>Total</b>	<b>\$25,400</b>	<b>\$25,185</b>	<b>\$39,610</b>	<b>\$1,100</b>	<b>\$91,295</b>
Number of Organization Benefiting from Donations	41	44	39	2	126

*Source: Internal Bank Records \*2011 through January 2014*

The \$91,295 in qualified CRA donations provided by the Bank and the Foundation represents a slight increase over the prior evaluation period, when the Bank and Foundation made donations totaling \$279,971 of which \$74,149 or 26.5 percent were qualified CRA donations.

The following table details the Bank's community development donations by category within the assessment area.

<b>Table 10</b>										
<b>Community Development Donations by Category</b>										
<b>Community Development Category</b>	<b>2011</b>		<b>2012</b>		<b>2013</b>		<b>Jan 2014</b>		<b>Total</b>	
	<b>#</b>	<b>\$</b>	<b>#</b>	<b>\$</b>	<b>#</b>	<b>\$</b>	<b>#</b>	<b>\$</b>	<b>#</b>	<b>\$</b>
Affordable Housing	4	1,600	5	2,750	2	1,420	0	0	11	5,770
Community Services	21	11,485	18	9,385	16	10,400	2	1,100	57	32,370
Economic Development/Revitalization	0	0	2	600	1	100	0	0	3	700
<b>Total</b>	<b>25</b>	<b>13,085</b>	<b>25</b>	<b>12,735</b>	<b>19</b>	<b>11,920</b>	<b>2</b>	<b>1,100</b>	<b>71</b>	<b>38,840</b>

*Source: Internal Bank Records*

Some of the organizations that received donations from the Bank are listed below:

**Boys & Girls Club of Taunton** – The mission of this organization is to enable all young people, especially those who need us most, to reach their full potential as productive, caring, responsible citizens.

**East Bridgewater Council on Aging** – The Council on Aging is the only social service agency in town that assists needy East Bridgewater residents of any age with unexpected and immediate needs related to food, utilities, and housing.

**Father Bill's Main Spring** – Father Bill's helps people obtain a home by giving temporary shelter and food, finding safe and affordable housing, and providing permanent housing with supportive services.

**Habitat for Humanity** – The mission of this organization is to build decent affordable homes for families in need and eliminate homelessness by making decent shelter a matter of conscience and action.

**HUGS** – HUGS has been giving comfort to families in need for many years. Their mission is to ensure all children have a warm coat, boots, some food for Christmas dinner, clothing and a little something from Santa under the tree, because they believe no child should go without Christmas.

**Middleborough Housing Authority (MHA)** – MHA was established on July 30, 1948 to assist veterans by providing affordable housing. Since then, MHA has been building affordable housing for families, the elderly and the disabled as well as providing housing and financial assistance to thousands of low-income Middleboro residents.

**St. Vincent de Paul Society** – The mission of this organization is to offer hope and services to the poor and suffering on a direct person-to-person basis, working to break the cycles of homelessness, substance abuse and violence.

The following table details the Foundation's community development donations by category within the assessment area.

<b>Table 11</b> <b>Community Development Donations by Category</b>								
Community Development Category	2011		2012		2013		Total	
	#	\$	#	\$	#	\$	#	\$
Affordable Housing	3	3,250	4	3,500	2	3,000	9	9,750
Community Services	13	9,065	15	8,950	17	21,690	45	39,705
Economic Development/Revitalization	0	0	0	0	1	3,000	1	3,000
<b>Total</b>	<b>16</b>	<b>12,315</b>	<b>19</b>	<b>12,450</b>	<b>20</b>	<b>27,690</b>	<b>55</b>	<b>52,455</b>

*Source: Internal Bank Records*

Some of the organizations the Bank's Foundation made qualified grants or donations to are listed below:

**Citizens for Citizens (CFC)** – CFC is an antipoverty social service agency assisting over 42,000 households each year by providing short-term services that support families during financial crisis situations through its fuel assistance, food pantry, and rental assistance programs. CFC also provides long-range solutions through diverse programs that seek to empower low-income individuals and families with the ability to overcome the burdens of poverty by giving them the necessary tools to achieve and maintain self-sufficiency.

**Downtown Taunton Foundation** – The mission of this organization is to revitalize downtown Taunton to be a vibrant and economically strong community with affordable housing opportunities to meet growing work-force needs by creating economic development and sustainable mixed use real estate projects.

**Horizons for Homeless Children** – Founded in 1988, this nonprofit organization is dedicated to improving the lives of young homeless children and to help their families succeed by providing high-quality education, opportunities for play, and comprehensive family support services.

**Old Colony Elder Services (OCES)** – For over 39 years, the OCES has provided money management programs to the elderly. This program provides trained, supervised and insured volunteers to help elders and disabled adults to establish budgets, pay bills and monitor income and expenses.

**Operation Santa** – This organization “adopts” families in need with emphasis on the children. The program provides gifts and toys as well as clothing for underprivileged and needy children in the community.

**Pro-Home Inc.** – Pro-Home is a non-profit counseling agency that offers down payment and closing cost assistance to first-time homebuyers; pre and post foreclosure services; credit and debt counseling and FDIC based Money Smart seminars.

**South Shore Housing (SSH) Development Corporation** – Established in 1970, SSH provides affordable housing as well as needed furnishings, bedding, household goods and food for families who are homeless due to domestic violence and are transitioning from shelters to SSH's Safe Step transitional apartment program.

## **Qualified Community Development Services**

A community development service has community development as its primary purpose and is generally related to the provision of financial services or technical services or assistance.

Based on the employees' level of involvement in such activities, the Bank's community development services are adequate.

### **Bank Employee Involvement**

Officers and employees of the Bank are involved in a number of local community development and non-profit organizations in various capacities. Bank personnel provide these organizations with financial and management expertise while serving as directors, officers, loan committee members, and volunteers. The following is a representative sample of the organizations that the Bank was involved with during the evaluation period. These organizations provide affordable housing, economic development, and other services to the area's low- and moderate-income geographies and residents:

**Bridgewater Community Development Advisory Committee** – This Committee was established to enhance and improve the downtown business district and create a much needed housing rehabilitation program. A Branch Manager serves on this committee.

**Kiwanis Club of East Bridgewater** – This nonprofit organization is comprised of volunteers to raise money for local charitable organizations that provides scholarships to needy and deserving students, assists families who are faced with economic challenges and supports local food pantries. The Bank's BSA Officer is a member and was also the past President.

**South Eastern Economic Development (SEED)** – This nonprofit economic development corporation focuses on job creation by financing all types of small businesses. They make small business loans ranging from \$1,000 to \$5.5 million. The Vice President Commercial Loan Officer is a member of the Credit Committee.

**South Shore Housing Development Corporation** – The purpose of this organization is to provide housing services and counseling to low- and moderate-income individuals. The Vice President Commercial Loan Officer is a member of the Board of Directors and the Finance Committee.

**Massachusetts Money Management Program of Old Colony Elder Services** – Established in 1991, this free Program helps low-income older (60 plus) and disabled adults pay their bills, budget their money and manage debt. A Senior Vice President Branch Administration Officer is a member.

## **Educational Services and Seminars**

Bank officers have participated in seminars and other events sponsored by the Bank during the evaluation period. These events provide opportunities for Bank representatives to inform those in attendance about the products and services offered by the Bank and to gain information about unmet credit needs in the assessment area. The following is a sample of seminars and events performed by the Bank:

- On May 17 and May 24, 2012, in conjunction with SEED, the Bank sponsored two small business workshops that focused on “Creating a Business Plan” and “Understanding the Financial Statements”.
- On November 6, 2013, in conjunction with Pro-Home, Inc., the Bank presented a first time homebuyer seminar. Topics included: the importance of good credit; credit reports and FICO scores; credit management; researching lenders; types of loans; closing costs; the purchase and sales agreement; the importance of a home inspection; and the difference between a buyer’s agent and a seller’s agent.
- In 2013, in conjunction with NeighborWorks Southern Mass, the Bank presented four first time homebuyers workshops. Topics included: the benefits of attending a first time homebuyer workshop; down payment and closing costs assistance; review of terminology used in the home buying process; determining your budget, income, expenses and debt; finding the right home for you; making an offer and negotiating the sale price; obtaining a home inspection; and signing the purchase and sale agreement.
- During the evaluation period, the Bank visited Middleboro High School, Pembroke High School, and Bristol Plymouth Regional High School and spoke to juniors and seniors about the importance of financial literacy. Topics included: managing your personal funds via checking and saving accounts; minimizing usage fees; reconciling checking accounts; identity protection; developing credit history; and the do’s and don’ts of credit.
- The Bank participates in the “Savings Makes Cents Program” for elementary school children. The Program focuses on the ABC’s of money management. The Bank has taught approximately 100 fifth grade students basic monetary concepts, including: how to open a savings account, the origin of money and basic budgeting skills. The Bank works directly with the teachers to establish opportunities for students to open savings accounts and make deposits right at their school.

## **Other Community Services**

The Bank participates in the following public and privately sponsored programs that have special features that are of particular benefit to lower-income consumers:

- The Bank participates in the Interest on Lawyers’ Trust Accounts (IOLTA) program. Interest earned on the account is utilized to help fund improvements in the administration of justice and delivery of legal services to low-income clients. Year to date interest as of December 31, 2013 is \$7,047.
- Equity Builder Program – The Bank, through the Federal Home Loan Bank (FHLB) of

Boston, offers the Equity Builder Program (EBP). This program offers flexible terms, conditions, and underwriting guidelines, to help serve the credit needs of low- and moderate-income homebuyers. The FHLB offers its member banks grants to provide households with incomes less than 80 percent of area median income with assistance in areas such as down payment, closing costs, and homebuyer counseling. During the evaluation period, the Bank originated 8 loans totaling \$95,000.

- The Bank participates in the Massachusetts Community and Banking Council's (MCBC) Basic Banking in Massachusetts program. This statewide program is designed to offer low cost checking and savings accounts to low- and moderate-income individuals.



## **PERFORMANCE EVALUATION DISCLOSURE GUIDE**

Massachusetts General Laws Chapter 167, Section 14, as amended, and the Uniform Interagency Community Reinvestment Act (CRA) Guidelines for Disclosure of Written Evaluations, and Part 345 of the Federal Deposit Insurance Corporation's Rules and Regulations, require all financial institutions to take the following actions within 30 business days of receipt of the CRA evaluation of their institution:

- 1) Make its most current CRA performance evaluation available to the public;
- 2) At a minimum, place the evaluation in the institution's CRA public file located at the head office and at a designated office in each assessment area;
- 3) Add the following language to the institution's required CRA public notice that is posted in each depository facility:

"You may obtain the public section of our most recent CRA Performance Evaluation, which was prepared by the Massachusetts Division of Banks at 756 Orchard Street, Bridgewater, MA 02767."

- 4) Provide a copy of its current evaluation to the public, upon request. In connection with this, the institution is authorized to charge a fee which does not exceed the cost of reproduction and mailing (if applicable).

The format and content of the institution's evaluation, as prepared by its supervisory agencies, may not be altered or abridged in any manner. The institution is encouraged to include its response to the evaluation in its CRA public file.